



STATE OF ALASKA  
DEPARTMENT OF  
**COMMERCE**  
COMMUNITY AND  
ECONOMIC DEVELOPMENT

*Mike Dunleavy, Governor*  
*Julie Anderson, Commissioner*  
*Robert M. Pickett, Chairman*

**Regulatory Commission of Alaska**

April 14, 2021

In reply refer to: Tariff Section  
File: TA50-358  
LO #: L2100136

Neil Bergt  
President  
Potter Creek Water Company  
16644 Briarcliff Ridge Circle  
Anchorage, AK 99516

Dear Mr. Bergt:

Potter Creek Water Company (PCWC) filed TA50-358, on March 1, 2021, seeking to update its Plant Replacement and Improvement Surcharge Mechanism surcharge. On April 13, 2021, the Regulatory Commission of Alaska approved Tariff Sheet No. 40, filed April 8, 2021, by PCWC in TA50-358. The effective date of the tariff sheet is April 15, 2021.

Enclosed is a validated copy of the approved tariff sheet. Please note that the effective date has been updated to reflect "April 15, 2021". In addition, the tariff advice number has been corrected to reflect "TA50-358". A margin notation has been added in accordance with 3 AAC 48.360(g). The revision number has been updated to reflect "Revision No. 3 cancelling Revision No. 2". Finally, the tariff sheet number has been corrected to include the sheet number of the canceled tariff sheet.

BY DIRECTION OF THE COMMISSION

Sincerely,

REGULATORY COMMISSION OF ALASKA

Becki Alvey (Apr 14, 2021 15:16 AKDT)

Becki Alvey  
Tariff Section Manager

**POTTER CREEK WATER COMPANY**STATE OF ALASKA  
REGULATORY COMMISSION OF ALASKA14.4 Computation (Cont'd)

Formula: the formula for calculating the plant replacement surcharge percentage is as follows:

$$\text{PRISM} = \frac{(\text{EP} * \text{WACC}) + \text{Dep} + \text{Taxes} + e}{\text{PAR}}$$

Where:

EP = The original cost of PRISM eligible plant net of accumulated depreciation.

WACC = The weighted average cost of capital approved in the utility's most recent general rate case.

Dep = The depreciation expense related to PRISM eligible plant.

Taxes = The state and federal statutory tax rates applied to the equity return, and local property taxes applicable to the PRISM eligible plant.

e = The amount calculated under the annual reconciliation or any correction or adjustment of actual entries used in the calculation of the surcharge rate.

PAR = The projected annual revenues to be collected from customers.

**PRISM SURCHARGE RATE:** The PRISM percentage is 0.35%

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Pursuant to Docket

Tariff Advice No. **TA50-358**

Effective **April 15, 2021**

Issued by Potter Creek Water Company

By Neil Bergt

Title President